U.S. Army Contracting Command SWA / CFLCC PARC

Colonel Mark R. Neumann
Contingency Contracting Conference
20-21 April 2005

Agenda

- ***U.S. Army Contracting Command SWA***
  - ***Mission***
  - ***Organization***
  - ***Highlights***
- ***Contracting Support Plan***
  - ***Considerations for Operations Enduring Freedom & Iraqi Freedom***
- ***Issues / Concerns***
- ***Field Ordering Officer***
- ***CERP***
- ***Q&A***

Mission

Plans and directs all procurement activities in the Southwest Asia Area of Responsibility (AOR) as assigned by CENTCOM and detailed in General Order # 6. Develops contingency contracting plans and provides contracting support and participation to US Army Forces in USCENTOM exercises and contingencies. Develops, plans, and executes contracting policies for ARCENT as the customer. Ensures compliance with the Defense Acquisition Workforce Improvement Act for all assigned Contracting Officers to include the issuance of warrants. Provides contracting compliance and contract management oversight for the Forward Commands / DOCs & COC offices in the AOR on a daily basis. Commands assigned subordinate units.

U.S. Army Contracting Command SWA / CFLCC PARC ORGANIZATION

THIRD ARMY/ARCENT

HEAD OF CONTRACTING ACTIVITY ACA

COMMANDER, U.S. ARMY Contracting Command SWA / CFLCC PARC

POLICY & PLANS

CONTRACTING SUPPORT DIVISION

CMDs

CFLCC-PARC FWD Camp Arifjan, KU

Title X

SAUDI ARABIA
DOC, USACC SWA-SA

KUWAIT
CDR, USACC SWA-KU

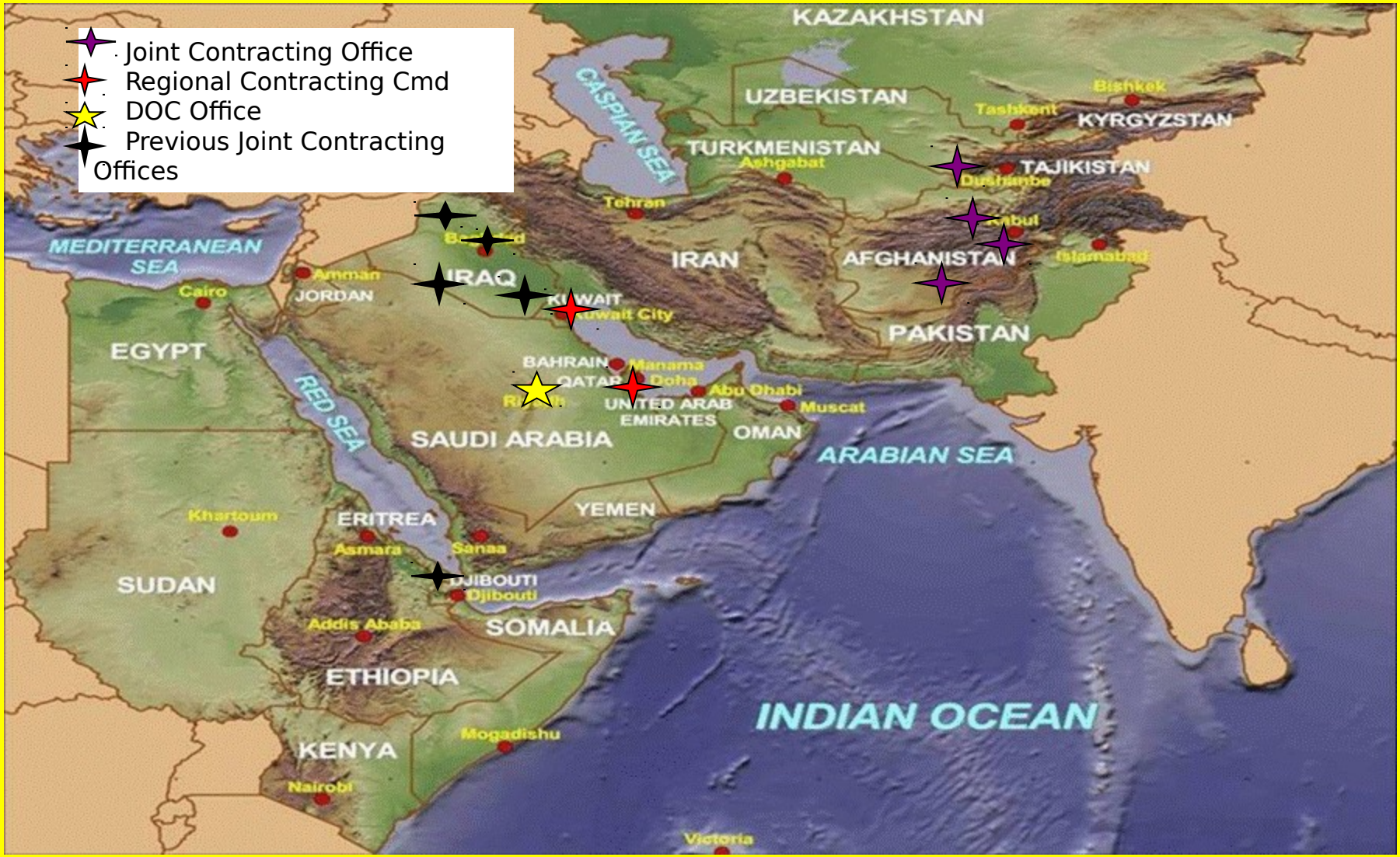
QATAR
CDR, USACC SWA-QA

OEF Area CCO OFFICES
JMD / WIAS/ Unit

- Karshi Khanabad
- Kabal
- Bagram
- Khandahar
- Shindard / Herat
- Salerno

✦ **COC Location**

U.S. Army Contracting CMD SWA in CENTCOM AOR



USACC-SWA Highlights

- **Planned / Executed OIF & OEF Contracting Requirements**
  - Setup initial Contracting Offices & Contracting Structure (HOA, OEF, OIF)
  - Developed JMD for Replacements
  - Remain the PARC Executing Title X and XXII Functions in Afghanistan
  - PARC Functions in IZ transferred to HCA Iraq in NOV 2004
- **Planning Bright Star Exercise for US Third Army / CENTCOM**
- **USACC-SWA activated as a Command September 2002**
- **Since FY 2002 obligated $1.6 Billion by the end FY04**

CCO Environment

CCO - Unique Group with Statutory Requirements for Schooling & Experience

Contracting Support Plan Considerations

COORD W / OTHER CONTRACTING PLAYERS

GAO AUDITS & CONGESSIONAL INQUIRES

REPLACEMENTS OF CCO (JMD / WIAS)

CONTRACT MANGEMENT

SITREPS/ REPORTING

FIELD ORDERING OFFICERS

HUMANITARIAN ASSISTANCE OPERATIONS

SEIZURES, CLAIMS RATIFICATIONS

PARC AUTHORITY

JOINT OPERATIONS

AREA vs. UNIT SUPPORT

LOCATE SOUCES & DEVELOP MARKETS

CONTRACTORS ON BATTLEFIELD

EST JOINT FORWARD CONTRACTING OFFICES

TAKE CARE OF YOURSELF/TM

KNOW YOUR REQUIREMENTS

TRAIN & DEVELOP CCO TEAMS

CARB / JARB PROCEDURES

POLICIES & PROCEDURES

FINCOM & RM SUPPORT

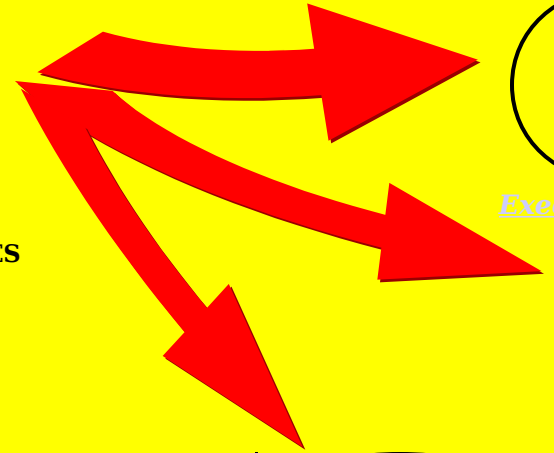
SITREP & REPORTING

PLAN A CCO OPERATIONS MEETING

ACSA / HOST NATION CABILITY

CSP - OPLAN

SITE & MARKET SURVEYS



AFGHANISTAN

IRAQ

Execution / Post War Sustainment

KUWAIT / QATAR

Buildup Phase

ATLANTA

Initial Deployment - Planning Phase

LOGISTIC MULTIPLER

Some of the Issues…

- **Flow of contracting authority**
  - **Within Army**
  - Outside army
  - What's broken – Understanding of Contracting in "Jointness"
- **Contingency business practices**
  - Simple (SF44s, Small buys, etc)
  - Standardized- (BPAs, Service Contracts)
  - Ease of transition (Contract Types, COC Structure)
    - Ability to React- Mission will get Larger
- **Managing the evolution of the mission**
  - Deploy the force (Understanding JMD, WIAS)
  - Sustain the force & systems (Service CCOs vs JMDs)
- **Reach back**
  - CONUS support
  - Regional support

Joint Contingency Contracting Doctrine

- There is **<u>No Joint Doctrine</u>** or clear guidance to resolve the procurement authority issues for a contracting officer or a contracting staff in a deployed joint environment.

- Lack of real world circumstances, after action reports, and anecdotal feedback highlight doctrinal issues (CALLS)

Clarifying Policy vs. Doctrine

- **FAR**
  - Rule-based
  - Rigid & binding (tied to Statutory Law)
  - Characterized by “Shall” statements
  - Implies single solution
  - Follow Chapter 1 Intent!!
- **Doctrine**
  - Experience-based (execution last time)
  - Officially sanctioned beliefs & principles
  - Describes & guides effective use of warfighting forces …reflects “what has usually worked best.”
  - Flexible, subject to judgment
  - Requires continuous refinement

PARC…. Fills the <u>Gap's</u> between FAR & Doctrine

FIELD ORDERING OFFICER

U.S. Army Contracting Command-SWA / CFLCC-PARC

Field Ordering Officer

- ***Field Ordering Officer (FOO)***
  - Must be a responsible individual
  - May not be a supply officer/supply sergeant
  - Recommended by unit CDR, appointed by CCO
  - No more than two per BN Size Element
  - An extension of the CCO function
- ***Purchase***
  - Single requirement up to $2,500.00
  - Not readily available in the Army supply system
  - Must be with a local vendor
  - Must be a fair and reasonable price

Field Ordering Officer Management

CCOs Manage Field Ordering Officers

- FOOs expand CCO capability
- No more than two per BN Size Element
- Monthly clearing is time consuming
- Must clear & approved all purchases
- Must enforce the rules established by the PARC
- Review markets
- Ratification Levels Controls Purchase Limits
- Unfamiliar in a Joint Environment-
  - Once in Trenched… NO Stopping

Saving Lives As A CCO

- Treat your mission as a combat patrol
  - -Weapons, Commo, Contingency plans “what if situations”
  - - Escape Plan, Back-Up Force
- Never announce to vendor of your arrival time
- Always have a guard with vehicle at all times
- Always have a guard with Ordering Officer and Paying Agent
- Do not flash more money than what is involved in transaction
- Try to keep a low profile (Civilian Clothes)
- Use your common sense
- Do your business and get out

Commanders Emergency Response Program (CERP)

- **Purpose**: Reconstruction Assistance
  -Established by CPA administrators for the purpose of enabling military CDRS in Iraq

- Mostly to Repair & Reconstruct/Services….not rebuild from Scratch

- CERP was Iraqi Funded… (Seized Funding)
  -Part of the 2004 Wartime Supplemental
  -CJTF-& Fragmentary order 89, 19 June 03

- C-8 Sponsored

Commanders Emergency Response Program (CERP)

- Money distribution system pushed to lowest unit level using seized Funding

- Once seized funding expended, DOD authorized use of appropriated funding

- Intent was to use the tenants of a “Contract”

- Documentation of funding poorly emphasized

Commanders Emergency Response Program (CERP)

- **<u>Lessoned Learned</u>:**

  - <u>NO FREE</u> Money regardless of Source
    - GAO currently reviewing documentation
    - Ask after WAR is over ….the Accountability Question?

  - Beware of someone without primary responsibilities requires you to do something evolving money!!

  - DOES CCO warrant authority support CERP?

  - Push to Higher HQs (PARC) & to those with more experience!! For top cover and logical contracting

CERP Process Under $200,000

Originating Unit

1. Identify Project
2. Prepare SOW/SOO

Brigade Staff

1. PPO/CCO review
2. S-5 Reviews Coordinates with Local Iraqi Government
3. Funding Documents Prepared
4. SJA Reviews

Brigade Commander

(AS REQUIRED or > $200K)

1. Reviews
2. Approves <$200K

Division Staff

Coordination or Approval as Required
1. PPO/CCO review
2. G-5 Reviews Coordinates with Local Iraqi Government
3. Comptroller Provides Funding Docum
4. SJA Reviews

(Submits Required CERP Fund and Project Reports)

Originating Unit

1. Unit Assigns Project Manager And/Or
2. Unit Assigns COR
3. Conducts Post Contract Award Meeting Government only and with Contractor
3. Unit Monitors Work provides QA/QC
4. Pay Contractor IAW work progress
5. Coordinates actions with PPO/CCO

(Submits Required Contracting Reports)

CCO

1. Reviews
2. Awards <$500K
3. >$500K Prepares Contract and takes to PCO Contracting

Division Commander

1. Reviews
2. Approves <$500K

MNC- I C8

PCO Contracting

1. Reviews
2. Awards >$500K

LEDGEND FOR ARROWS:

- Contract Request – Approval Process
- CERP Project and Funding Report Process
- Returns after Approving Actions

Questions & Comments

Planning Phase Considerations

- **Theater CARB / JARB Process**
  - C4 Responsibility
  - Prioritize Requirements
  - Work Load

- **Develop Forward Area Support Teams / Equipment**
  - Built CCO Teams
    - Troop level and intent of Operation
    - JMD, Unit Fills, WIAS
    - Area vs. Unit support
  - Plan CCO Conference

- **FINCOM & Resource MGT Support**
  - Currency
  - Bulk Funds
  - CERP Funds

- **Mature vs. Immature Contracting Environment**
  - Markets, Automation, Banking, Currency

Planning Phase
Other Contingency Contracting Players

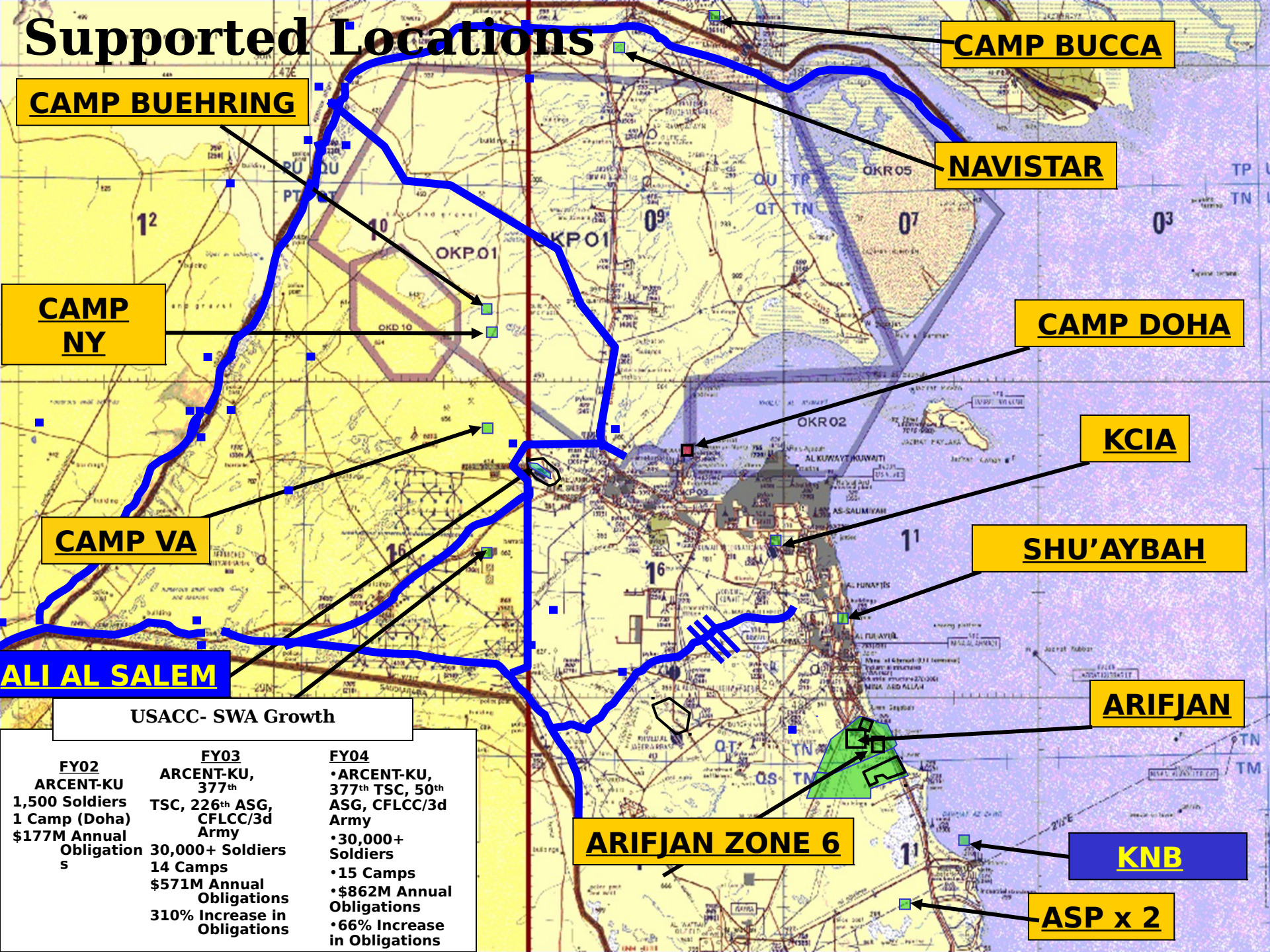
- **Coordination / Planning w/other Contingency Contracting Players**
  - **LOGCAP**
    - Umbrella-type contract –Army Directed
    - AMC Program is intended to act as a force multiple
    - LOGCAP vs. Sustainment contracts
  - **Defense Logistics Agency**
    - Prime Vendor
    - Umbrella Contracts
    - How early will they play
  - **Defense Contract Management Agency (DCMA)**
    - FAR PART 42
  - **Defense Energy**
  - **Program Management Coordination Cell**
  - **Army Materiel Command**
    - Contractors on the Battlefield

- **Corps of Engineers**
  - CREST Teams
  - Construction Projects
- **Host Nation Support**

Build Up Phase Considerations

- **Used Established Directorate of Contracting Offices as the Center of Gravity for the Support Plan**
  - **DOC Kuwait**
    - Co-located with CFLCC
    - Provided support for entire Kuwaiti footprint
      - Established 8 camps in prep for forward movement (150K Pax's)
      - Augmented TOE / JMDs by PARC, AF, Marine and Navy personnel
    - Provided a stable market environment & Established Contracts
    - Provided Contract Automations (PD2)
  - **DOC Qatar**
    - Co-located with CENTCOM
    - Provided contract support to CENTCOM
    - Pushed commodities forward as needed
    - Provides Support to OEF

Supported Locations



USACC- SWA Growth

FY02
ARCENT-KU
1,500 Soldiers
1 Camp (Doha)
$177M Annual Obligations

FY03
ARCENT-KU, 377th TSC, 226th ASG, CFLCC/3d Army
30,000+ Soldiers
14 Camps
$571M Annual Obligations
310% Increase in Obligations

FY04
- ARCENT-KU, 377th TSC, 50th ASG, CFLCC/3d Army
- 30,000+ Soldiers
- 15 Camps
- $862M Annual Obligations
- 66% Increase in Obligations

Execution Phase Considerations

- **Deploy Forward Area Support Teams**
  - DISCOM or CSG
  - Based on OPLAN & LOG ANNEX
  - AREA vs. Unit Support
- **Establish Forward Area Contracting Offices**
  - Furniture, Office Equipment, Power, & Transportation
  - Communication & Computer Network
  - Finance and RM Reps (Co-Located)
  - Security
  - SITREPS to PARC
    - Team Control and Tracking
  - Train & Appoint Field Ordering Officers

Execution Phase Considerations

- **Developing Local Vendor Base**
  - Interpreter / Guide
  - Bid Board
  - Local Clergy
  - Maps
  - Understanding Local Business Practices
  - Civil Affairs
  - Reverse Auctions

Execution Phase Considerations

- **Humanitarian Assistance Operations**
  - Civil Affairs / JCMOTF support base
- **Seizures, Claims, and Ratifications**
  - **Rule of Land Warfare** - Commanders under the principal of military necessity & subject to restrictions, may seize private property during hostilities.
  - Legal assistance must be obtain prior to the seizure.
  - Payment for seizures
    - Ratification
    - Retroactive Leases (Corps of Eng)
    - Claims
- **Establish CARB / JARB Process FWD**
  - C4/J4/DISCOM - (Senior Log Element**)**

Post War / Sustainment Phase Considerations

- **Establish Sustainment Contracting Structure**
  - Chief of Contracting Office (COC)
  - Develop & Staff Regional Offices
  - Establish Joint Manning Document (JMD)
  - Tie into Logistical Distribution Network & Functions …Central Receiving / Shipping Point; PBO
  - Formalize Contracting Procedures
    - Gaining C2 over Contracting Personnel
    - Putting Requisitions, Funding & Contracting Controls / Procedures in place
    - Establishing Long Term Contracts & Consolidating Requirements
    - Improve Documentations of Contracting Actions & Internal Controls
    - Increase Competition & Depth in Vendor Base

Post War / Sustainment Phase Considerations

Page 2 of 2

- **LOGCAP vs. Sustainment Contracts**
  - Bridge Gaps that may occur until military logistics can be mobilized.
  - LOGCAP is not intended to be the LOG System

- **Contracting Limitations… Contracting only one option!**
  - Existing Supply System (DLA, DESC, AMC, etc)
  - Host Nations Support,
  - Inter-Service Agreements, Forces

- **Contract Management**
  - No COR….NO SERVICE!
  - Quality Assurance
  - GAO Audits / Congressional Inquires
  - CCO Limitations
    - Post Award Administration
    - No Ammo, WPNS, FOOD
    - Rotational Nature of CCOs